



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

NOTICE: New Federal Law Requires \$25 Yearly Fee
THIS IS NOT A BILL – DO NOT SEND MONEY

July 18, 2008

Ms. Mary Smith
234 Main Street
Anywhere, MI 40001

The Office of Child Support records show that you are the custodial party (the payee) on a child support case. Beginning September 2008, Michigan will start collecting a \$25 yearly fee for your IV-D child support case(s) **that meets all of the following requirements:**

- You (the custodial party) have **never** received cash assistance (Family Independence Program) for a child named in your support order.
- You do **not** currently receive food assistance for a child named in your order.
- You have received a total of at least \$500 in support payments during the fiscal year.

New federal and state laws require that if your case meets all of these requirements during the fiscal year (October through September), Michigan will collect the \$25 fee. This fee will be collected from your support payment after you have received \$500. If you have more than one support case, a separate \$25 fee will be collected on each case that meets the requirements listed above. Michigan will only collect the \$25 fee on each case once per fiscal year.

The fiscal year runs from October 1 to September 30. In September 2008, Michigan will collect the \$25 fee for the fiscal year that started October 1, 2007, and that will end on September 30, 2008. Starting in October 2008, Michigan will begin collecting the fee for the fiscal year that begins on October 1, 2008. Therefore, you could have the \$25 fee collected from your support payments in both September and October 2008. In October 2009, and every following fiscal year, Michigan will collect the fee when your case(s) meets all the requirements listed above.

If Michigan collects the \$25 fee from you, but you currently receive food assistance, or you receive (or have received) cash assistance (in any state), or you did not receive \$500 in support, read questions 9 and 10 on the back of this letter for more information.

For more information, go to the "Spotlight" section on the Michigan Child Support Web site at: <http://www.michigan.gov/childsupport>, or call 1-866-713-0031.

FREQUENTLY ASKED QUESTIONS

1) When will collection of the \$25 yearly fee start?

The collection of the fee will start in September 2008.

2) Why is this new fee being collected?

The Federal Deficit Reduction Act of 2005 requires the fee to be paid on cases meeting certain requirements. These fees help pay for the services provided by the child support program. The requirement for the fee is in the Social Security Act, Section 454(6)(B)(ii).

3) Does the \$25 fee apply to all child support cases?

No. It does not apply to cases if the custodial party receives food assistance for a child named in the support order, receives (or has received) cash assistance for a child named in the support order, or if the custodial party has not received \$500 in child support.

4) How often will the \$25 fee have to be paid?

The fee will be deducted once per case each fiscal year after \$500 in support has been sent to you. The fiscal year runs from October 1 through September 30. After Michigan has collected the \$25 fee, you will receive all the support paid for the rest of the fiscal year.

5) Please explain the time period for the fee. What is a “fiscal year”?

A fiscal year is the 12 months from October 1 to September 30 rather than the calendar year of January to December. Because this fee is required once each *fiscal* year, Michigan will start adding up your support payments in October each year. After you get \$500, Michigan will subtract \$25 from your next payment. Once the \$25 has been collected, you will again receive all support payments. This process will start over again every October.

6) Can I pay the \$25 fee by sending a check to either the Office of Child Support, the Friend of the Court, or the Michigan State Disbursement Unit (MiSDU)?

No. The fee must be collected directly from child support payments.

7) What if I do not get \$500 in the fiscal year?

Michigan will never collect the \$25 fee for a fiscal year in which you do not have \$500 sent to you first.

8) What if I get \$1,000 or more per year in child support? Will Michigan take the \$25 fee more than once?

The \$25 fee will be collected only one time each fiscal year per support order, after you receive \$500 in support. It will not matter how much more child support you receive after the first \$500 during the same fiscal year.

9) If Michigan collects the \$25 fee and I currently receive food assistance and/or cash assistance, what should I do to receive a refund?

Send a letter to your Friend of the Court that includes your docket ID, the type of assistance you are receiving, and a list of the children on your assistance case.

10) If Michigan collects the \$25 fee and I received cash assistance in the past in Michigan or another state, what should I do to receive a refund?

Send a letter to your Friend of the Court, and provide proof that confirms your history of cash assistance. For example: provide a signed statement from your assistance worker, a statement on agency letterhead saying you received cash assistance in the past, or copies of agency records that show your past assistance.